GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO:2246
ANSWERED ON:08.08.2005
PROPOSAL FOR SETTING UP FPI BY FOREIGN INDUSTRIALISTS
Mandal Shri Sanat Kumar

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether some foreign industrialists have offered to set up their Food Processing Industries in the country;

(b) if so, the details thereof and the number of units proposed to be set up under these offers; and

(c) the extent of foreign and domestic capital investments, targeted to be made in these units?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI)

(a) to (c): Food Processing Industries are both in the organized and unorganized sectors. Number of FPI units in the unorganized sector is very large and as such their details are not centrally maintained. 100% FDI is already permitted in food processing sector except in the food retailing, plantations and alcoholic beverages. During January 2002 to May 2005, one hundred and five financial approvals for foreign Direct Investment have been accorded by the Government in food processing sector. Amount of foreign Direct Investment approved in such cases is Rs. 643.47 crore.

For attracting domestic investment in FPI sector, Government has formulated and implemented several Plan Schemes. These schemes provide financial assistance for establishment and modernization of food processing units, creation of infrastructure, support for R&D, human resource development besides other promotional measures to encourage development of food processing industries.